

## INITIAL STATEMENT OF REASONS

### CONSTRUCTION FINANCING PROGRAM TITLE 15-CRIME PREVENTION AND CORRECTIONS DIVISION 1, CHAPTER 1, SUBCHAPTER 6

#### ARTICLE 1. GENERAL PROVISIONS

**Section 1700. Purpose.** This regulation specifies the purpose of the following sections in implementing specific financing programs as described in the listed Government Code. Revisions reflect legislative action, amending the text to include Chapter 3.13 of Title 2, Division 3, Part 10b of the Government Code, as well as updating the authority and reference citations to reflect said action. There is no operational impact.

**Section 1706. Definitions.** This regulation defines terms used throughout these regulations. To provide clarity and consistency, several regulations have been modified, deleted, or added. Additionally, the terms “Corrections Standards Authority” and “Authority” have been replaced throughout these regulations with “Board of State and Community Corrections” and “BSCC”. In 2012, pursuant to Penal Code Section 6024, the Corrections Standards Authority was replaced by the “Board of State and Community Corrections.” Updating the agency name will ensure consistency with current statute.

The definition “Adult Local Criminal Justice Facilities Construction Financing Program” is proposed to provide clarity in reference to the new financing program being integrated into these regulations and to provide the enabling Government Code.

The definition “Adult local criminal justice facility” is proposed to describe the type of facility authorized for financing under the Adult Local Criminal Justice Facilities Construction Financing Program.

The definition “Applicant” was modified to add the term “Adult Local Criminal Justice Facilities Construction Financing Program”.

The definition “Application” was modified to include the term “Adult Local Criminal Justice Facilities Construction Financing Program”.

The definition “Architectural drawings” is proposed to clarify the use of the term in Section 1749, Submittal of Architectural Drawings and Specifications for Design-Bid-Build Projects.

The definition “Authority” was removed to provide clarity and consistency. In 2012, pursuant to Penal Code Section 6024, the Corrections Standards Authority was replaced by the “Board of State and Community Corrections.” Updating the agency name will ensure consistency with current statute.

The definition “Board of State and Community Corrections agreement” is proposed to provide clarity to the term used in Section 1748.5, Requirements for the Board of State and Community Corrections Agreement.

The definition “Board of State and Community Corrections” is proposed to provide clarity and consistency. In 2012, pursuant to Penal Code Section 6024, the Corrections Standards Authority was replaced by the “Board of State and Community Corrections.” Updating the agency name will ensure consistency with current statute.

The definition “Cash match” was modified to provide clarity and consistency by including a reference to Section 1714.2, Matching Fund Requirements for Adult Local Criminal Justice Facilities, and removing the term “and Section”

The definition “Conditional award” was modified to include the term “Adult Local Criminal Justice Facilities Construction Financing Program”, and replace the term “Authority” with “BSCC” to provide consistency.

The definition “Construction bid” was modified to include the term “price” to provide clarification and to remove improper clarifying language, “with respect to a design-bid-build project”.

The definition “Corrections Standards Authority agreement” was removed to provide constancy and to be replaced with the term “Board of State and Community Corrections agreement”.

The definition “Evaluation and rating process” was modified to include references to Section 1712.2, Eligibility Requirements for Adult Local Criminal Justice Facilities; Section 1714.2, Matching Fund Requirements for Adult Local Criminal Justice Facilities; Section 1730.2, Proposal process for Adult Local Criminal Justice Facilities; and Section 1740.2, Adult Local Criminal Justice Facilities Construction Financing Program Proposal Evaluation Criteria.

The definition “Facility Administrator” was modified to provide clarity by including the term “or Adult Local Criminal Justice Facility”.

The definition “Facility lease” was modified in several places to provide clarity to which projects are applicable to the term and to make minor grammatical changes.

The definition “Facility sublease” was modified to provide consistency by removing the term “local jail” and to add clarity by inserting the term “and/or BSCC”.

The definition “Funding preference criteria” is proposed to provide a clarifying explanation of preference criteria used in the Adult Local Criminal Justice Construction Financing Program.

The definition “Ground lease” was modified to provide clarity by including the terms “or BSCC”, “project”, and removing the term “local jail facility”.

The definition “Hard match” was modified to provide clarity and consistency by including a reference to Section 1714.2, Matching Fund Requirements for Adult Local Criminal Justice Facilities, and removing the term “and Section”.

The definition “In-kind match” was modified to provide clarity and consistency by including a reference to Section 1714.2, Matching Fund Requirements for Adult Local Criminal Justice Facilities, and removing the term “and Section”.

The definition “Interim Financing” was modified to provide clarification of which government entity is responsible for financing loans by inserting the term “and the Board, or the BSCC”.

The definition “Large county” was modified to provide clarity and consistency by including the term “and May 1, 2013 for the Adult Local Criminal Justice Facilities Construction Financing Program.”

The definition “Lease-revenue bonds” was modified to include clarifying reference to Chapter 3.13 of Title 2, Division 3, Part 10b of the Government Code.

The definition “Local jail” was modified to provide clarity and consistency by adding a reference to Section 1712.2, Eligibility Requirements for Adult Local Criminal Justice Facilities.

The definition “Match” was modified to ensure clarity and consistency by inserting a reference to Section 1714.2, Matching Fund Requirements for Adult Local Criminal Justice Facilities.

The definition “Medium county” was modified to specifying the programs which apply to the term by inserting the text “January 1, 2007 for Phase I, January 1, 2011 for Phase II, and May 1, 2013 for Adult Local Criminal Justice Facilities Construction Financing Program.”

The definition “Needs assessment study” was modified to provide clarity by including the term “and the Adult Local Criminal Justice Facilities Construction Financing Program.”

The definition “Operational program statement” was modified to ensure clarity and consistency by including the term “or Adult Local Criminal Justice Facility”, and “or the Adult Local Criminal Justice Facilities Construction Financing Program.”

The definition “Participating county” was modified to include the clarifying statement “and/or BSCC” and to provide a reference to Chapter 3.13 of Title 2, Division 3, Part 10b of the Government Code.

The definition “Program space” is proposed to clarify and define the term found in Section 1712.2, Eligibility Requirements for Adult Local Criminal Justice Facilities.

The definition “Project” was modified to provide clarity by adding the text “or adult local criminal just facility”, and “or the Adult Local Criminal Justice Facilities Construction Financing Program.”

The definition “Project delivery and construction agreement” was modified to ensure clarity and consistency by insuring the term “also known as PDCA”, clarifying which government agency will be responsible for the agreement, removing the term “Authority” and inserting the term “BSCC”, and including the text “For the Adult Local Criminal Justice Facilities Construction Program the CDCR is not a party to the PDCA.”

The definition “Proposal” was modified for clarity and consistency by including a reference to the Adult Local Criminal Justice Facilities Construction Program.

The definition “Proposal evaluation criteria” was modified to simplify and clarify by removing the text “for financing through phase I of the Local Jail Construction Financing Program.”

The definition “Rated capacity” was modified to provide consistency by replacing “Authority” with “BSCC”.

The definition “Small county” was modified to specifying the programs which apply to the term by inserting the text “January 1, 2007 for Phase I, January 1, 2011 for Phase II, and May 1, 2013 for Adult Local Criminal Justice Facilities Construction Financing Program.”

The definition “Soft match” was modified to provide clarity by including a reference to Section 1714.2, Matching Fund Requirements for Adult Local Criminal Justice Facilities.

The definition “State bond financing” was modified to clarify by providing a reference to Chapter 3.13 of Title 2, Division 3, Part 10b of the Government Code.

The definition “State reimbursements” was modified to provide clarity and consistency by including an explanation of which government agency is responsible for specific project reimbursements.

The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact for these changes.

## **ARTICLE 2. ELIGIBILITY REQUIREMENTS**

### **Section 1712. Eligibility Requirements for Phase I.**

#### **Section 1712.1. Eligibility Requirements for Phase II.**

These regulations outline the program-specific requirements for the participation and reimbursement of a Phase I and/or Phase II project. The language was modified for consistency by replacing “Authority” with “BSCC”. There is no operational or fiscal impact.

**Section 1712.2. Eligibility Requirements for Adult Local Criminal Justice Facilities.** This regulation is proposed to provide clarity and an explanation of the program-specific requirements for the participation and reimbursement of projects under the new Adult Local Criminal Justice Facilities Construction Financing Program. For consistency, this regulation mirrors the language in Sections 1712. And 1712.1. There is no operational or fiscal impact.

### **Section 1714. Matching Fund Requirements for Phase I.**

#### **Section 1714.1. Matching Fund Requirements for Phase II.**

These regulations outline the required amount and type of matching funds a county must contribute to a Phase I or Phase II project. The language was modified for consistency by replacing “Authority” with “BSCC”. There is no operational or fiscal impact.

**Section 1714.2. Match Fund Requirements for Adult Local Criminal Justice Facilities.** This regulation is proposed to provide clarity, an outline of the required matching fund contributions, and eligibility information for fund use for Adult Local Criminal Justice Facilities Construction Financing Program projects. There is no operational or fiscal impact.

## **ARTICLE 3. APPLICATION TO PARTICIPATE IN THE LOCAL JAIL CONSTRUCTION FINANCING PROGRAM**

**Section 1730. Proposal Process for Phase I.** This regulation outlines the process and requirements of the request for proposals process for Phase I projects. The language was modified for consistency by replacing “Authority” with “BSCC”, and for clarity by replacing an invalid website address with the correct address ([www.bscc.ca.gov](http://www.bscc.ca.gov)). There is no operational or fiscal impact.

**Section 1730.1. Application Process for Phase II.** This regulation outlines the process and requirements of the request for applications process for Phase II projects. The language was modified for consistency by replacing “Authority” with “BSCC”, and for clarity by replacing an invalid website address with the correct address ([www.bscc.ca.gov](http://www.bscc.ca.gov)). There is no operational or fiscal impact.

**Section 1730.2. Proposal Process for Adult Local Criminal Justice Facilities.** This regulation outlines the process and requirements for the request for proposals process for Adult Local Criminal Justice Facilities Construction Financing Program projects. This

proposed regulation is meant to provide necessary proposal guidance and requirements for the Adult Local Criminal Justice Facilities Construction Financing Program. There is no operational or fiscal impact.

**Section 1731. Needs Assessment Study.** This regulation is provided for clarity, it explains which projects are required to submit a needs assessment study and how it shall be submitted. For consistency the terms “local”, and “local jail” were removed and the following language was inserted: “The needs assessment study for the Adult Local Criminal Justice Facilities Construction Financing Program must reflect current needs and needs through the year 2014 and shall be submitted with the Adult Local Criminal Justice Facilities proposal. Counties intending to construct beds must justify their determination of housing capacity deficiency which shall include any construction projects for which the county is conditionally awarded under Phase I and/or Phase II and any other construction projects which the county is undertaking.”

The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1740.2. Adult Local Criminal Justice Facilities Construction Financing Program Proposal Evaluation Criteria.** This proposed regulation outlines the additional evaluation criteria that are specific to the Adult Local Criminal Justice Facilities Construction Financing Program and provides a reference to the enabling Government Codes. This new regulation will not have operational or fiscal impact.

**Section 1747. Steps to Proceed with Construction for Design-Build-Build Projects.** This regulation outlines the required steps that counties must take to move into the construction phase of their project. For consistency the language of this regulation was modified to remove the term “Authority” and replace it with “BSCC”. For clarity in section (1) the text, “for Phase I and Section 1730.2 for Adult Local Criminal Justice Facilities.....for Phase II” was added. For clarity in section (3) the text “for Phase I and Phase II, or BSCC for Adult Local Criminal Justice Facilities,” was inserted in reference to which agency is responsible for confirming specific documents have been completed and accepted.

The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1747.1. Steps to Proceed with Construction for Design-Build Projects.** This regulation outlines the required steps that counties must take to move into the construction phase of their project. For consistency the language of this regulation was modified to remove the term “Authority” and replace it with “BSCC”. For clarity in section (1) the text, “for Phase I and Section 1730.2 for Adult Local Criminal Justice Facilities.....for Phase II” was added. For clarity in section (3) the text “for Phase I and Phase II, or BSCC for Adult Local Criminal Justice Facilities,” was inserted in reference to which agency is responsible for confirming specific documents have been completed and accepted. In section (3)(b), the text “and the State Department of Finance;” was inserted to further clarify which agency will approve performance criteria. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1747.5. Requirements for the Siting Agreement in Phase I.** This regulation outlines the process and requirements for entering into a siting agreement specifically for Phase I projects. For consistency the term “Authority” was removed and replaced with “BSCC”. There is no operational or fiscal impact.

**Section 1748. Requirements for the Project Delivery and Construction Agreement.** This regulation outlines the program-specific requirements for entering into a Project Delivery and Construction Agreement. For clarity the original text was moved into a new section (a), the term “authority” was replaced with “BSCC”, and the text “for Phase I and Phase II” was added to specify the programs applicable. A new section, (b), was added to address the separate requirements specific to the Adult Local Criminal Justice Facilities Construction Financing Program. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1748.5 Requirements for the Board of State and Community Corrections Agreement.** This regulation clarifies the requirements of the agreement between the BSCC and the participating county. For clarity and consistency the title of this section was renamed, removing “Corrections Standards Authority’s” and replacing it with “Board of State and Community Corrections”. Several references to either “Corrections Standards Authority” and “Authority” were similarly replaced with either “Board of State and Community Corrections” or “BSCC”. For clarity, the text “, and performance expectations” was inserted to further describe the agreement content. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1749. Submittal of Architectural Drawings and Specifications for Design-Bid-Build Projects.** This regulation outlines the requirements and specifications for submittal of architectural drawings, specifically for design-bid-build projects. For consistency the references to “Authority” were removed and replaced with “BSCC”. For clarity in section (b), the language “for Phase I and Phase II projects and no later than forty-five (45) calendar days for Adult Local Criminal Justice Facility projects. In...” For clarity in section (c), a reference to Government Code 15820.925 was added to include the authority for Adult Local Criminal Justice Facilities Construction Financing program projects. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1749.1. Submittal of Performance Criteria and Concept Drawings for Design-Build Projects.** This regulation outlines the requirements and specifications for submittal of specific criteria and concept drawings, specifically for design-build projects. For consistency the references to “Authority” were removed and replaced with “BSCC”. For clarity, in section (c) the text “for Phase I and Phase II projects and no later than forty-five (45) calendar days for Adult Local Criminal Justice Facility Projects. In...” was added. For clarity in section (d), a reference to Government Code 15820.925 was added to include the authority for Adult Local Criminal Justice Facilities Construction Financing Program projects. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1750. Operation Program Statement/Staffing Plan/Operating Cost Analysis for Design-Bid-Build Projects.** This regulation outlines the program, staffing plan, and operating cost analysis requirements specific to design-bid-build projects. For clarity and consistency the term “authority” was removed and replaced with “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1750.1. Operational Program Statement/Staffing Plan/Operating Cost Analysis for Design-Build Projects.** This regulation outlines the program, staffing plan, and operating cost analysis requirements specific to design-build projects. For clarity and consistency the term “authority” was removed and replaced with “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1751. General County Requirements.** This regulation outlines several requirements for participating counties and includes clarity and references to the authoritative Government Codes. For consistency and further clarity, reference to Government Code 15820.92 was added to sections (b) and (c) for Adult Local Criminal Justice Facilities Construction Financing Program projects. In section (d) the following text was added to provide clarification and reference, “With the consent of the Board, the BSCC and a participating county are authorized to enter into leases, subleases, contracts, or other agreements pursuant to California Government Code Section 15820.924.”. In section (e), “or Adult Local Criminal Justice Facility.” was added to included to provide clarity and consistency with the previous program text. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1752. Ground Lease.** This regulation explains what the ground lease agreement is and what the requirements of said document are. To provide clarity and consistency the language, “for Phase I and Phase II or BSCC for Adult Local Criminal Justice Facilities,” was added, as was “for Phase I, Government Code Section 15820.911 for Phase II, and Government Code Section 15820.92 for Adult Local Criminal Justice Facilities.”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1753. Right of Entry for Construction and Operation.** This regulation outlines the agreement between state and county for right of entry for construction and operation. For clarity the title of this section was modified by adding the text “and Operation.”. For clarity in section (a) the language “and operation” and “for Phase I and Phase II, or BSCC for Adult Local Criminal Justice Facilities,” was added. For clarity in section (b) the following language was added: “and operation”, “for Phase I and Phase II, or BSCC for Adult Local Criminal Justice Facilities”, and “and operation of the project upon substation completion of construction.” The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1754. Facility Sublease.** This regulation explains the relationship between the leasing agency and the participating county. For clarity the text “for Phase I and Phase



II, or BSCC for Adult Local Criminal Justice Facilities,....or BSCC” was added. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

#### **ARTICLE 4. ADMINISTRATION OF REIMBURSEMENTS AND PROJECT MONITORING**

**Section 1756. Disbursement of State Reimbursements.** This regulation explains the rules and requirements for reimbursement of state funds to participating counties of Phase I, Phase II and Adult Local Criminal Justice Facilities. For consistency the terms “Authority” and “CSA” were removed and replaced with “BSCC” throughout the text. Sections (f), (g), (h), and (j) have been added to stipulate differences between design-bid-build, design-build, Phase I, Phase II, and Adult Local Criminal Justice Facilities program projects. Section (i) was modified to provide clarity by adding the following language: “for Phase I and Phase II projects,” and “. When a participating county is unlikely or ineligible to draw 100 percent (100%) of the conditional award amount, the state shall withhold the final 5% of the eligible state reimbursements. The withheld amount will”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1760. Record Keeping and Accounting.** This regulation outlines the participating counties responsibility to establish and maintain a method of official record keeping and Accounting. For clarity this section was modified by inserting “for Phase I and Phase II, and the BSCC for Adult Local Criminal Justice Facilities projects,”. For consistency the term “CSA” was removed and replaced with “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1766. Monitoring of Process.** This regulation outlines the process of project monitoring performed by the BSCC and/or CDCR. For consistency the terms “Authority” and “CSA” were removed and replaced with “BSCC”. For clarity the text “for Phase I and Phase II, or BSCC for Adult Local Criminal Justice Facilities”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1767. Completion of Project.** This regulation explains the process of project completion as recognized by the BSCC. For consistency the terms “Authority” and “CSA” were removed and replaced with “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1768. Project Modifications.** This regulation outlines the process of making modifications to a participating county’s project and what the parameters and reporting requirements are. For consistency the terms “Authority” and “CSA” were removed and replaced with “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1770. Audits.** This regulation outlines the requirement for participating counties to complete and submit an audit according to specific auditing standards. For consistency the term “Authority” was removed and replaced with “BSCC”. removed and replaced with “BSCC”. Section (d) was modified to provide clarity by adding the text, “For Phase I and Phase II projects,”. Section (e) was renamed (f), the newly proposed (e) was added to provide clarity for the requirements specific to the Adult Local Criminal Justice Facilities projects. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1772. Unused Conditional Awards.** This regulation outlines where and how unused conditional awards are to be used and or distributed. For consistency the term “Authority” was removed and replaced with “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

## **ARTICLE 5. APPEAL PROCEDURES**

**Section 1776. Purpose.** This regulation outlines the purpose for the appeal procedures for jail and adult local criminal justice facilities construction programs. For consistency the term “Authority” was replaced with “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1778. Definitions.** This regulation defines terms used throughout Article 5 specifically. To provide clarity and consistency, several regulations have been modified, deleted, or added. Additionally, the terms “Corrections Standards Authority” and “Authority” have been replaced throughout these regulations with “Board of State and Community Corrections” and “BSCC”. In 2012, pursuant to Penal Code Section 6024, the Corrections Standards Authority was replaced by the “Board of State and Community Corrections.” Updating the agency name will ensure consistency with current statute.

The definition “Authority” was removed to provide clarity and consistency. In 2012, pursuant to Penal Code Section 6024, the Corrections Standards Authority was replaced by the “Board of State and Community Corrections.” Updating the agency name will ensure consistency with current statute.

The definition “BSCC” is proposed to provide clarity and consistency. In 2012, pursuant to Penal Code Section 6024, the Corrections Standards Authority was replaced by the “Board of State and Community Corrections.” Updating the agency name will ensure consistency with current statute.

The definition “Executive Director” was modified for consistency by replaced the term “Authority” with “BSCC”.

The definition “Filing date” was modified for consistency by removing the term “Corrections Standards Authority” and inserting “Board of State and Community Corrections.”.

The definitions “Hearing panel”, “Notice of decision”, “Proposed decision”, and “Request for appeal hearing” were modified for consistency by replacing the term “Authority” with “BSCC”.

The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact for these changes.

**Section 1788. Request for Board of State and Community Corrections Appeal Hearing.** This regulation outlines how a county may request an appeal hearing for a Phase I, Phase II, or Adult Local Criminal Justice Facility Program award. For clarity and consistency the title of this section was modified to remove “Corrections Standards Authority” and insert “Board of State and Community Corrections”. The text of this regulation was also modified to remove “Authority” and insert “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1790. Board of State and Community Corrections Hearing Procedures.** This regulation outlines the procedures and steps of an appeals hearing with the BSCC. For clarity and consistency the title of this section was modified to remove “Corrections Standards Authority” and insert “Board of State and Community Corrections”. The text of this regulation was also modified to remove “Authority” and insert “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

**Section 1792. Board of State and Community Corrections Decision.** This regulation explains the BSCC’s decision making process for appeals. For clarity and consistency the title of this section was modified to remove “Corrections Standards Authority” and insert “Board of State and Community Corrections”. The text of this regulation was also modified to remove “Authority” and insert “BSCC”. The citations in the note section were modified to align properly with BSCC’s statutory authority. There is no operational or fiscal impact.

## **PURPOSE**

These revisions were made to incorporate the Adult Local Criminal Justice Facilities Construction Financing Program into the previously published Phase I and Phase II Program regulations. By incorporating the new regulations we have complied with a portion of the statutory directive outlined in Senate Bill 1022 and/or Section 15820.92-15820.926 of the Government Code. In addition to compliance, the BSCC set out to provide participating counties with a clear and concise guide to navigate the process and guidelines of their awarded program. Benefits of these revisions will include enhanced safety and security of local jail and criminal justice facilities and continued protection of residents, staff and the public.

## **PROBLEMS THIS PROPOSED REGULATION SEEKS TO ADDRESS**

The proposed adoptions and amendments to Title 15, Subchapter 6 Construction Financing Program are to address two main issues; the Corrections Standards Authority is now the Board of State and Community Corrections (BSCC), and Senate Bill 1022 legislation has authorized the BSCC to adopt regulations regarding the Adult Local Criminal Justice Facilities Construction Financing Program.

July 1, 2012, the Corrections Standards Authority (CSA), an agency under the Department of Corrections and Rehabilitation was abolished and replaced with the Board of State and Community Corrections, a stand alone agency. The regulatory obligation of CSA was transferred to the BSCC, requiring an update to these regulations for consistency and clarity.

June 27, 2012, Senate Bill 1022 passed and became law. SB 1022 authorizes up to \$500 million in lease revenue bond financing for the acquisition, design, and construction of adult local criminal justice facilities. The BSCC is charged with adopting regulations for this program.

## **BENEFITS ANTICIPATED FROM THE PROPOSED REGULATION**

The BSCC anticipates several benefits from the proposed regulation adoption and amendment, including: Protection of public health and safety, worker safety, and the creation of jobs.

Once adopted these regulations will allow the BSCC to extend financing to conditionally awarded counties for the construction of adult local criminal justice facilities. Many counties in California are operating outdated, dilapidated, crowded facilities. With these regulations, awards can be made to improve the physical condition of those facilities, creating a safer environment for inmates, workers, and the community. SB 1022 focuses on programming space, which will allow for more counties to offer alternatives to detention and a wide array of in-custody programs that will improve public health and safety. Counties who have proposed the construction of new facilities will create jobs within their communities.

## **TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDY, REPORTS, OR DOCUMENTS.**

Except for the Authorizing Government Code (Section 15820.92-15820.926), the Adult Local Criminal Justice Facilities Construction Financing Program Proposal Form, and the Construction of Adult Local Criminal Justice Facilities Final Rating Form, the BSCC did not rely upon any other technical, theoretical, or empirical studies, reports or documents in proposing the adoption of these regulations.

## **REASONABLE ALTERNATIVES TO THE REGULATION AND THE AGENCY'S REASONS FOR REJECTING THOSE ALTERNATIVES.**

No other alternatives were presented to or considered by the BSCC.

## **REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESS.**

The BSCC has not identified any alternatives that would lessen any adverse impact on small businesses.

## **EVIDENCE SUPPORTING FINDING OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS.**

The BSCC has determined that, the proposed regulations would not have a significant statewide adverse economic impact directly on businesses.

## **ECONOMIC IMPACT ASSESSMENT**

### **PURPOSE**

The BSCC proposes to adopt Sections 1712.2, 1714.2, 1730.2, 1740.2, and amend the Title 15, Division 1, Chapter 1, Subchapter 6 authorizing agency name, Subchapter 6 title, Sections 1700, 1706, 1712, 1712.1, 1714, 1714.1, 1730, 1730.1, 1731, 1747, 1747.1, 1747.5, 1748, 1748.5, 1749, 1749.1, 1750, 1750.1, 1751, 1752, 1753, 1754, 1756, 1760, 1766, 1767, 1768, 1770, 1772, 1776, 1778, 1788, 1790, and 1792 of Title 15 of the California Code of Regulations (CCR).

Through this adoption and amendment the following sections will be implemented, interpreted and/or made specific by this proposed rulemaking: Authority: Sections 15820.906, 15820.916, and 15820.925, Government Code; and Section 6030, Penal Code. Reference: Sections 15820.90, 15820.901, 15820.902, 15820.903, 15820.905, 15820.906, 15820.907, 15820.91, 15820.911, 15820.912, 15820.913, 15820.915, 15820.916, 15820.917, 15820.92, 15820.921, 15820.922, 15820.923, 15820.924, 15820.925, and 15820.926, Government Code.

In proposing this adoption the BSCC seeks to improve public health and safety, and worker safety.

## **THE CREATION OR ELIMINATION OF JOBS WITHIN THE STATE OF CALIFORNIA**

These regulations are proposed to distribute up to \$500 million in lease revenue bonds for the construction of adult local criminal justice facilities. Through the Adult Local Criminal Justice Facilities Construction Financing Program, counties will have the opportunity to create jobs through the construction process by hiring consultants, contractors, and by creating new positions within their completed facility. These regulations will only affect counties who are offered and accept a conditional award for financing; the effects will last through the design and construction phases and continue for counties who choose to create new positions to staff their completed facilities. Therefore, BSCC has determined that this regulatory action will have a positive impact on the creation of jobs, but will not effect the elimination of jobs in the State of California.

## **THE CREATION OF NEW BUSINESSES OR THE ELIMINATION OF EXISTING BUSINESSES WITHIN THE STATE OF CALIFORNIA**

These regulations are proposed to distribute up to \$500 million in lease revenue bonds for the construction of adult local criminal justice facilities. Through the Adult Local Criminal Justice Facilities Construction Financing Program, counties will use the services of businesses through their construction phases but will not continue to rely on the services of these businesses to the extent of creating new or eliminating existing businesses within the state of California. Only Counties within the State of California may apply for financing and only under the jurisdiction of the County Sheriff or County Department of Corrections. No awards are given to businesses within the State of California. The BSCC has determined that these regulations will not have an affect on the creation of new businesses or the elimination of existing businesses within the State of California.

## **THE EXPANSION OF BUSINESSES CURRENTLY DOING BUSINESS WITHIN THE STATE OF CALIFORNIA**

These regulations are proposed to distribute up to \$500 million in lease revenue bonds for the construction of adult local criminal justice facilities. Through the Adult Local Criminal Justice Facilities Construction Financing Program, counties will use the services of businesses through their construction phases but will not continue to rely on the services of these businesses to the extent of expanding businesses within the state of California. Only Counties within the State of California may apply for financing and only under the jurisdiction of the County Sheriff or County Department of Corrections. No awards are given to businesses within the State of California. The BSCC has determined that these regulations will not have an affect on the expansion of businesses currently doing business within the State of California.

## **BENEFITS OF THE REGULATIONS TO THE HEALTH AND WELFARE OF CALIFORNIA RESIDENTS, WORKER SAFETY, AND THE STATE'S ENVIRONMENT**

The anticipated benefits to this regulation are increased protection of welfare of California residents, and worker safety. The welfare of California residents and worker safety will be affected positively by construction and/or renovation of new and existing adult jail and criminal justice facilities. The newly renovated or constructed facilities will

eliminate many of the dangers of working in an outdated facility with the use of better space planning and technology that is up-to-date. A greater focus has been placed on programming space and making community and inmate programs available in-custody and as an alternative to incarceration. In some instances participants of programs will receive support and learn necessary social and employment skills to better assimilate back into the community. New and renovated facilities will offer more space, technology, and other much needed tools to create a safe environment for workers, inmates, visitors, and the community. The BSCC has determined that the state's environment will not be affected by the adoption of these regulations because the regulation is the subject of criminal justice facility construction financing. The BSCC has determined that there will be a positive impact on the health and welfare of California residents and worker's safety.